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SUMMARY of WASHINGTON STATE'S CHARITABLE SOLICITATIONS ACT

Chapter 19.09 RCW, including 2007 Legislative Amendments

ORGANIZATIONS AND ACTIVITIES SUBJECT TO REGISTRATION

Charitable Organizations: All charitable organizations must register with the Charities Program prior to fundraising in Washington State, unless otherwise exempted. Renewals are due annually, no later than the fifteenth day of the fifth month after the end of the organization's fiscal year. Registration under the Charitable Solicitations Act is separate from, and in addition to, documents required in accordance with state corporate law or by the Internal Revenue Service. The filing fee for a new registration is \$60.00; renewals are \$40.00. Effective July 22, 2007, consolidated registrations are not accepted. Branches, chapters and affiliates of an organization must register separately.

Commercial Fundraisers: All Commercial Fundraisers must register and submit proof of a \$15,000 surety bond to the Charities Program prior to fundraising in Washington State. The filing fee for a new registration is \$300.00; renewals are \$225.00. Renewals are due annually, no later than the fifteenth day of the fifth month after the end of the organization's fiscal year.

Contracting with a Commercial Fundraiser: Charitable organizations that contract for fundraising services with a commercial fundraiser must submit a Fundraising Service Contract Registration Form, a copy of the written contract, and a \$20.00 filing fee to the Charities Program before the start of any fundraising campaign.

ORGANIZATIONS AND ACTIVITIES EXEMPT FROM THE REGISTRATION REQUIREMENTS

The Charitable Solicitations Act exempts certain activities and organizations from registration with the Secretary of State's Charities Program. The application requirements do not apply to the following:

- Any charitable organization raising less than \$25,000 from the public in any accounting year when all the activities of the organization, including all fundraising activities, are carried on by persons who are unpaid for their services and no part of the charitable organization's assets or income inures to the benefit of or is paid to any officer or member of the organization. The use of a Commercial Fundraiser is considered a paid service and therefore the charitable organization is not eligible to claim exemption from registration. 19.09.076 RCW
- Political organizations and organizations whose activities are subject to the reporting requirements of the Washington State Public Disclosure Act or Federal Elections Campaign Act. 19.09.076 RCW
- Appeals for funds on behalf of a specific individual named in the solicitation, but only if all of the proceeds of the solicitation are given to or expended for the direct benefit of that individual. 19.09.076 RCW
- Churches and their Integrated Auxiliaries. 19.09.020(2) RCW
- Commercial Coventurers, Fundraising Counsel or Consultants 19.09.020(4)(5) RCW

Charitable Organizations that are exempt from registration are encouraged to file an Optional Statement for an Exempt Organization with the Charities Program.

DEFINITIONS

Charitable Organization is any entity that solicits or collects contributions from the general public where the contribution is or is purported to be used to support a charitable purpose, but does not include any commercial fundraiser, commercial fundraising entity, commercial coventurer, or any fundraising counsel. Churches and their integrated auxiliaries are not considered "charitable organizations" under the Charitable Solicitations Act.

Charitable Purpose is any religious, charitable, scientific, testing for public safety, literary, or educational purpose or any other purpose that is beneficial to the community, including environmental, humanitarian, patriotic, or civic purposes, the support of national or international amateur sports competition, the prevention of cruelty to children or animals, the advancement of social welfare, or the benefit of law enforcement personnel, firefighters, and other persons who protect public safety. The term "charitable" is used in its generally accepted legal sense and includes relief of the poor, the distressed, or the underprivileged; advancement of religion; advancement of education or science; erecting or maintaining public buildings, monuments, or works; lessening the burdens of government; lessening neighborhood tensions; eliminating prejudice and discrimination; defending human and civil rights secured by law; and combating community deterioration and juvenile delinquency.

Commercial Coventurer is any entity which is primarily engaged in the making of sales of goods or services for profit, and who represents that a portion of the sales price, a certain sum of money, or some other thing of value will be donated to a named charitable organization if they purchase said goods or services, and who is not otherwise regularly or primarily engaged in making charitable solicitations or otherwise raising funds for one or more charitable organizations.

Commercial Fundraiser is any entity that for compensation or other consideration directly or indirectly solicits or receives contributions for or on behalf of any charitable organization or charitable purpose, or that is engaged in the business of or is held out to persons as independently engaged in the business of soliciting or receiving contribution for such purposes. A commercial coventurer, fundraising counsel or consultant is not a commercial fundraiser.

Religious Organization is defined as those entities that are not churches or integrated auxiliaries and includes nondenominational ministries, interdenominational and ecumenical organizations, mission organizations, speakers' organizations, faith-based social agencies, and other entities whose principal purpose is the study, practice, or advancement of religion.

Solicitation is an oral or written request for a contribution, including the solicitor's offer or attempt to sell any property, rights, services, or other thing in connection with an appeal for any charitable purpose or the name of any charitable organization is used as an inducement for consummating the sale, or any implication is made that part of the proceeds from the sale will benefit a charitable purpose or be donated to charity. Solicitation does not include bingo activities, raffles, and amusement games which are subject to rules by the Washington State Gambling Commission.